



State of Utah

Department of
Environmental Quality

Dianne R. Nielson, Ph.D.
Executive Director

DIVISION OF DRINKING WATER
Kevin W. Brown, P.E.
Director

Drinking Water Board
Dale Pierson, *Chair*
Anne Erickson, *Vice-Chair*
Myron Bateman
Jay Franson
Laurie McNeill
Nancy Melich
Dianne R. Nielson, Ph.D.
Charlie Roberts
Petra Rust
Ron Thompson
Chris Webb
Kevin W. Brown, P.E.
Executive Secretary

OLENE S. WALKER
Governor

GAYLE F. McKEACHNIE
Lieutenant Governor

MINUTES OF THE DRINKING WATER BOARD TELECONFERENCE
MEETING HELD ON SEPTEMBER 1, 2004 IN SALT LAKE CITY,
UTAH

Board Members Present

Dale Pierson, Chairman
Anne Erickson, Vice Chairman
Myron Bateman
Jay Franson
Laurie McNeill
Charlie Roberts
Petra Rust

Board Members Excused

Nancy Melich
Dianne Nielson, Ph.D.
Ron Thompson
Chris Webb

Guests

Mark Nielsen, Logan City
Bill Young, Logan City
Yvonne Hogle, Ballard, Spahr
George Kruse, BLM, Richfield

Staff

Kevin Brown
Rich Peterson
James Brough
Linda Matulich

ITEM 1 – CALL TO ORDER

The Drinking Water Board convened via teleconference in Salt Lake City, Utah with Chairman Pierson presiding. The meeting was called to order at 2:00 p.m.

ITEM 2 – ROLL CALL

Chairman Pierson asked Kevin Brown to call roll of the Board members. The roll call showed there were 6 members present at the time.

ITEM 3 – INTRODUCTIONS

Chairman Pierson asked staff and visitors introduce themselves.

ITEM 4 – SRF APPLICATIONS

a) Logan City

Anne Erickson reported the SRF/Conservation Committee met an hour ago on Logan City, and has a recommendation for the Board.

Logan City recently received a bid on its water storage tank, which was higher than anticipated. Logan City is requesting more funding from the Board. After talking with Logan City, staff decided to look at interest buy-downs, adjust the interest rate from 2.75% to 2.57%, and let Logan City borrow the extra money needed from the market. The City would purchase \$910,000 of public bonds with a term of 10-years. The City also requested the Board to let them decrease principal payments on its loan for the first 10 years to keep the total annual payments equal to about \$362,000 over 20 years.

The SRF/Conservation Committee recommended the Board authorize an interest buy-down to Logan City at 2.57% over 20 years for their existing loan of \$5,000,000, with \$400,000 principle forgiveness, and accept the revised payment schedule where it has equal annual payments, and on the condition that they borrow the \$910,000 on the public market at 4.5% as well as include the compliance report issues that are applicable.

Discussion followed.

Laurie McNeill mentioned that she lives in Logan City. She does not have a conflict with the Logan City agenda item.

Dale Pierson moved the Board authorize the SRF/Conservation Committee's recommendation of authorizing an interest buy-down to Logan City in the form of lowering the current interest rate to 2.57% over 20 years for the existing loan of \$5,000,000, with \$400,000 principle forgiveness, and accept the revised payment schedule on the condition they bond for the \$910,000 on the public market at 4.5%, as well as include the compliance report issues that are applicable.

Myron Bateman seconded.

Charlie Roberts joined the meeting.

Anne Erickson repeated the motion for Charlie Roberts.

Discussion on motion.

**CARRIED
(Unanimous)**

ITEM 5 – NEXT BOARD MEETING

The next Board meeting will be held on October 8, 2004 in Draper, Utah. There will be a tour of Jordan Valley Water Conservancy District's Water Treatment Plan.

ITEM 7 – OTHER

No other business.

ITEM 8 – ADJOURN

Chairman Pierson stated a motion to adjourn was in order.

Myron Bateman moved to adjourn.

Charlie Roberts seconded.

**CARRIED
(Unanimous)**

The Board meeting adjourned at 2:10 p.m.

Linda Matulich
Recording Secretary